

## **FY 2005 State Budget Summary:**

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- The Legislature accepted the Governor's FY 2005 General Fund revenue estimate. The normalized growth rate, which excludes the impact of the temporary sales tax increase and all other 2003 and 2004 Legislative changes, is 7.8% over FY 2004 normalized revenue.
- Including 2003 and 2004 Legislative changes, FY 2005 base General Fund revenue is expected to grow 2.8% over FY 2004 base revenue. Part of the reason for the lower growth rate is because in FY 2004 Idaho received \$50.0 million in one-time federal funds. Another factor is because in FY 2004 the \$21.5 million generated by the temporary cigarette tax increase went into the General Fund while in FY 2005 it goes into the Economic Recovery Reserve Fund.
- The most significant difference between the Governor's FY 2005 General Fund budget and the Legislature's is its decision to transfer \$21.3 million to the Revolving Development Fund. This money will be used by the Water Resource Board to purchase water rights. The entire amount is a short-term loan that will be repaid to the General Fund by July 1, 2006.
- Both the Governor and the Legislature left FY 2005 General Fund ending balances of over \$100 million. These funds will be needed to help offset the loss of \$170 million in revenue next fiscal year because the temporary 6.0% sales tax rate returns to 5.0% on July 1, 2005.
- The Legislature provided a FY 2006 contingency appropriation that is dependent on the FY 2005 General Fund ending balance. Should the FY 2005 General Fund unexpended, unencumbered ending balance exceed \$124.0 million, HB 395 and HB 396 appropriate \$14.2 million in General Fund and \$3.3 million in other funds to state departments and the Public Schools to fund a 1.0% one-time salary increase during FY 2006. This is in place of the Governor's recommendation to provide a 1.0% ongoing salary increase next year.

## FY 2005 GENERAL FUND COMPARATIVE SUMMARY

<b>REVENUES:</b>	<b>Revised</b>	<b>Legislative</b>	
	<b>Exec. Budget</b>	<b>Appropriation</b>	<b>Difference</b>
Beginning balance	\$100,244,100	\$100,244,100	\$0
FY 2005 Base General Fund Revenue (2.8% growth rate)	2,156,865,000	2,156,865,000	0
Internal Revenue Code compliance (HB 10)	1,100,000	1,100,000	0
Alternative energy generation equipment sales tax exemption (HB 110a)	0	(1,062,500)	(1,062,500)
Sales tax exemption, research and development property (HB 261)	0	(1,000,000)	(1,000,000)
Transfer to the Revolving Development Fund (HB 843, 2004 session)	(500,000)	(500,000)	0
Transfer/loan to the Revolving Development Fund (HB 392) <b>(Note 1)</b>	0	(21,300,000)	(21,300,000)
Transfer to the Budget Stabilization Fund (IC 57-814) <b>(Note 2)</b>	(20,971,000)	(20,971,000)	0
Transfers to Deficiency Warrant Funds <b>(Note 3)</b>	(1,675,100)	(1,675,100)	0
Cancel the balance of an FY 2002 Attorney General encumbrance (est.)	<u>0</u>	<u>1,300,000</u>	<u>1,300,000</u>
<b>Total Funds Available</b>	<b>\$2,235,063,000</b>	<b>\$2,213,000,500</b>	<b>(\$22,062,500)</b>

  

<b>EXPENDITURES:</b>			
FY 2005 original appropriations	\$2,082,138,300	\$2,082,138,300	\$0
Surplus eliminator appropriation (HB 805, 2004 session)	5,001,000	5,001,000	0
Prior year reappropriations	1,820,700	1,820,700	0
Reversion of excess property/liability insurance and HB 805 funds	(2,124,300)	(2,124,300)	0
Supplementals (positive and negative)	<u>31,937,100</u>	<u>25,479,100</u>	<u>(6,458,000)</u>
<b>Total Expenditures</b>	<b>\$2,118,772,800</b>	<b>\$2,112,314,800</b>	<b>(\$6,458,000)</b>

  

<b>Projected Ending Balance</b>	<b>\$116,290,200</b>	<b>\$100,685,700</b>	<b>(\$15,604,500)</b>
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### Notes:

- These funds are to be used by the Water Resource Board to purchase water rights. The amount transferred is a short-term loan with an annual interest rate of 3% and shall be repaid to the General Fund on or before July 1, 2006.
- SB 1231 transfers \$5,000,000 of the \$20,971,000 being transferred to the Budget Stabilization Fund to the Public Education Stabilization Fund.
- HB 6 makes the following transfers to Deficiency Warrant Funds:  
\$1,274,200 to the Dept. of Lands' Fire Suppression Fund;  
\$259,300 to the Dept. of Agriculture's Pest Eradication Fund; and  
\$141,600 to the Military Division's Hazardous Substances Emergency Response Fund.

**DEPARTMENT FY 2005 GENERAL FUND APPROPRIATIONS AND EXPENDITURES**

<b>Department</b>	<b>Original Appropriation</b>	<b>Surplus Elimi- nator (HB 805)</b>	<b>Reapro- priations</b>	<b>Positive/Negative Supplementals</b>	<b>Anticipated Reversions</b>	<b>Estimated Expenditures</b>
<b>General Government:</b>						
Administration, Dept.	\$8,887,900	\$13,600	\$0	\$0	(\$1,200)	\$8,900,300
Attorney General	15,042,200	121,300	951,600	0	(18,300)	16,096,800
Controller, State	5,113,400	23,500	56,900	0	(4,300)	5,189,500
Governor, Office	1,451,900	9,100	0	0	(6,600)	1,454,400
Governor, Executive Office	14,793,400	66,200	0	0	(51,400)	14,808,200
Legislative Branch	10,259,100	34,400	0	0	0	10,293,500
Lieutenant Governor	117,800	500	0	0	(600)	117,700
Revenue and Taxation, Dept.	24,847,100	153,400	0	(41,100)	(33,500)	24,925,900
Secretary of State	2,338,200	13,100	0	0	(1,300)	2,350,000
Treasurer, State	<u>1,249,300</u>	<u>6,600</u>	<u>0</u>	<u>0</u>	<u>(1,700)</u>	<u>1,254,200</u>
<b>Total General Government</b>	<b>84,100,300</b>	<b>441,700</b>	<b>1,008,500</b>	<b>(41,100)</b>	<b>(118,900)</b>	<b>85,390,500</b>
<b>Public Safety:</b>						
Correction, Dept.	110,511,000	521,300	0	4,058,000	(354,800)	114,735,500
Judicial Branch	25,182,500	64,200	0	0	0	25,246,700
Juvenile Corrections, Dept.	32,273,100	132,800	0	393,800	(22,700)	32,777,000
Police, Idaho State	<u>16,419,000</u>	<u>111,200</u>	<u>0</u>	<u>0</u>	<u>(118,300)</u>	<u>16,411,900</u>
<b>Total Public Safety</b>	<b>184,385,600</b>	<b>829,500</b>	<b>0</b>	<b>4,451,800</b>	<b>(495,800)</b>	<b>189,171,100</b>
<b>Health &amp; Human Services:</b>						
Catastrophic Health Care	12,160,500	0	0	3,675,000	0	15,835,500
Health and Welfare, Dept.	407,551,900	871,500	0	16,600,800	(371,700)	424,652,500
Public Health Districts	9,488,400	69,200	0	0	(139,800)	9,417,800
Independent Living Council	<u>78,700</u>	<u>100</u>	<u>0</u>	<u>(4,000)</u>	<u>0</u>	<u>74,800</u>
<b>Total Health &amp; Hum. Serv.</b>	<b>429,279,500</b>	<b>940,800</b>	<b>0</b>	<b>20,271,800</b>	<b>(511,500)</b>	<b>449,980,600</b>
<b>Education:</b>						
Agr. Research and Extension	24,679,100	186,600	0	0	0	24,865,700
College and Universities	223,366,200	1,689,800	51,800	548,100	(652,000)	225,003,900
Community Colleges	19,755,400	130,100	0	0	0	19,885,500
Deaf and Blind School	7,449,300	56,200	0	0	(28,900)	7,476,600
Educ., Office of State Board	4,097,100	10,100	0	0	(4,600)	4,102,600
Health Education Programs	7,846,100	16,700	21,900	0	(2,300)	7,882,400
Historical Society	1,961,600	12,200	0	0	(6,200)	1,967,600
Library, State	2,537,100	15,100	0	0	(7,400)	2,544,800
Professional-Technical Educ.	45,691,600	275,200	88,300	0	(21,700)	46,033,400
Public Broadcasting	1,586,700	8,300	0	0	(14,200)	1,580,800
Public Schools	964,706,500	0	0	0	0	964,706,500
Special Programs	9,717,600	25,000	0	0	(6,500)	9,736,100
Super. of Public Instruction	5,211,000	21,400	0	0	(11,400)	5,221,000
Vocational Rehabilitation	<u>7,659,900</u>	<u>12,900</u>	<u>0</u>	<u>4,000</u>	<u>(2,600)</u>	<u>7,674,200</u>
<b>Total Education</b>	<b>1,326,265,200</b>	<b>2,459,600</b>	<b>162,000</b>	<b>552,100</b>	<b>(757,800)</b>	<b>1,328,681,100</b>
<b>Economic Development:</b>						
Agriculture, Dept.	9,497,600	56,500	0	0	(74,300)	9,479,800
Commerce and Labor, Dept.	7,877,100	21,300	0	0	(4,400)	7,894,000
Self-Governing Agencies	<u>3,443,900</u>	<u>26,500</u>	<u>0</u>	<u>244,500</u>	<u>(7,700)</u>	<u>3,707,200</u>
<b>Total Econ. Development</b>	<b>20,818,600</b>	<b>104,300</b>	<b>0</b>	<b>244,500</b>	<b>(86,400)</b>	<b>21,081,000</b>
<b>Natural Resources:</b>						
Environmental Quality, Dept.	15,146,000	88,100	0	0	(25,700)	15,208,400
Lands, Dept.	4,809,800	25,800	0	0	(19,700)	4,815,900
Parks and Recreation, Dept.	6,819,300	49,600	400,000	0	(89,400)	7,179,500
Water Resources, Dept.	<u>10,514,000</u>	<u>61,600</u>	<u>250,200</u>	<u>0</u>	<u>(19,100)</u>	<u>10,806,700</u>
<b>Total Natural Resources</b>	<b>37,289,100</b>	<b>225,100</b>	<b>650,200</b>	<b>0</b>	<b>(153,900)</b>	<b>38,010,500</b>
<b>State Totals</b>	<b>2,082,138,300</b>	<b>5,001,000</b>	<b>1,820,700</b>	<b>25,479,100</b>	<b>(2,124,300)</b>	<b>2,112,314,800</b>

**FY 2005 SUPPLEMENTAL APPROPRIATIONS COMPARISON**

Department	Item	FTP		General Fund		Total Funds	
		EB	App.	Rev. EB	Approp.	Rev. EB	Approp.
Controller, State	Data warehouse/business intelligence receipts	0.00	0.00	\$0	\$0	\$666,000	\$680,000
Military Division	Public Safety Grant	0.00	0.00	0	0	35,000	35,000
Revenue & Tax., Dept.	Fund 2% salary increase for Commissioners	0.00	0.00	6,800	6,800	6,800	6,800
	Reallocate Commissions time btwn funds/programs	0.00	0.00	(23,100)	(23,100)	0	0
	Reallocate staff time btwn funds in Unclaimed Prop.	0.00	0.00	(24,800)	(24,800)	(11,600)	(11,600)
Correction, Dept.	Medical services for additional inmates	0.00	0.00	964,700	964,700	964,700	964,700
	Additional county & contract beds (\$1,698,100 OT)	0.00	0.00	2,679,200	1,969,200	2,679,200	2,679,200
	Increase ISCI bed space by 159	9.00	9.00	405,000	499,000	405,000	499,000
	Increase ICI - Orofino bed space by 32	0.00	0.00	62,900	62,900	62,900	62,900
	Increase NICI bed space by 15 (OT)	1.00	1.00	53,700	53,700	161,300	161,300
	Increase SICI bed space by 64	2.00	2.00	66,500	66,500	66,500	66,500
	Open the 100 bed SICI Annex Comm. Work Ctr.	14.00	14.00	372,100	395,500	472,100	495,500
	Increase St. Anthony bed space by 75 (\$2,900 OT)	5.00	5.00	235,100	295,800	235,100	295,800
	Address Balla bed, plumbing & staff needs at ISCI	5.00	5.00	51,200	45,700	761,200	45,700
	Additional funding for contract treatment providers	0.00	0.00	0	0	200,000	200,000
	Increase Women's Prison by 20 beds (\$2,500 OT)	1.00	1.00	59,100	80,300	59,100	80,300
	Shift \$375,300 from Gen. Fund to Endow. Fund	0.00	0.00	(375,300)	(375,300)	0	0
Juvenile Corr., Dept.	Shift \$375,300 from Endow. Fund to Gen. Fund	0.00	0.00	375,300	375,300	0	0
	Jeff D. lawsuit costs (OT)	0.00	0.00	125,000	18,500	125,000	18,500
Catastrophic Hlth. Care	Anticipated needs (\$2,825,000/\$575,000 OT)	0.00	0.00	3,675,000	3,675,000	3,950,000	3,950,000
Health & Welfare, Dept.	Medicaid utilization and provider rate increase	0.00	0.00	15,457,900	15,457,900	65,719,900	65,719,900
	Medicaid buy-in program for disabled workers	3.00	0.00	0	0	102,800	0
	Medicaid adult access card program	3.00	3.00	0	0	124,700	124,700
	Children's Serv. caseload increase (\$64,500 OT)	15.00	0.00	2,806,900	956,800	3,513,900	1,078,300
	Self-Reliance Food Stamp inflation	43.00	25.00	661,200	186,200	1,322,400	372,400
	Substance Abuse Access to Recovery	3.00	3.00	0	0	7,592,000	7,592,000
	Domestic Violence Council fiscal mgmt. increase	1.00	1.00	0	0	572,600	572,600
	Indirect Services IT contractors moved to state FTP	21.00	20.00	484,600	59,100	881,100	107,500
	Department-wide savings from IT contractors move	0.00	0.00	(488,000)	(59,200)	(1,033,300)	(107,600)
	SHS - shift \$375,300 fm Gen. Fund to Endow. Fund	0.00	0.00	(375,300)	(375,300)	0	0
	SHN - shift \$375,300 fm Endow. Fund to Gen. Fund	0.00	0.00	375,300	375,300	0	0
Agriculture, Dept.	Upgrade security software in SCC loan prog. (OT)	0.00	0.00	0	0	22,000	22,000
Outfitters & Guides Brd.	Internet access costs (\$3,500 OT)	0.00	0.00	0	0	6,500	6,500
Veterinary Medicine Brd.	Additional hearing costs (OT)	0.00	0.00	0	0	3,700	3,700
St. Board of Examiners	Prosecution & transportation of state inmates (OT)	0.00	0.00	11,500	11,500	11,500	11,500
Appellate Pub. Defender	Post conviction mitigation & investigation costs	0.00	0.00	833,700	233,000	833,700	233,000
College & Universities	Unfunded occupancy costs	3.25	3.25	658,300	548,100	658,300	548,100
	Shift \$755,700 between the Endow. Funds	0.00	0.00	0	0	0	0
Public Schools	Support unit growth (App. transfers Bud. Stab. Fund)	0.00	0.00	2,802,600	0	2,802,600	0
Voc. Rehabilitation	Add 2 FTP and move \$89,200 between objects	2.00	2.00	0	0	0	0
	Transfer grant from Independent Living Council	0.00	0.00	0	4,000	0	40,100
Independent Living Coun.	Transfer grant to Vocational Rehabilitation	0.00	0.00	0	(4,000)	0	(40,100)
Industrial Comm.	Fund 2% salary increase for Commissioners	0.00	0.00	0	0	5,700	5,700
Public Utilities Comm.	Fund 2% salary increase for Commissioners	0.00	0.00	0	0	5,900	5,900
Veteran's Serv., Div.	Medical supplies and equipment	0.00	0.00	0	0	300,000	300,000
Water Resources, Dept.	Shift \$36,200 in Energy funding between two funds	0.00	0.00	0	0	0	0
<b>Totals</b>		<b>131.25</b>	<b>94.25</b>	<b>\$31,937,100</b>	<b>\$25,479,100</b>	<b>\$94,284,300</b>	<b>\$86,825,800</b>

Note: OT means one-time.

**FY 2005 ONE-TIME REVENUE TRANSFERS FROM THE GENERAL FUND COMPARISON**

Department	Item	FTP		General Fund		Total Funds	
		EB	App.	Rev. EB	Approp.	Rev. EB	Approp.
Military Division	Hazardous Substances Response Fund	0.00	0.00	(\$141,600)	(\$141,600)	\$0	\$0
Agriculture, Dept.	Pest Eradication Fund	0.00	0.00	(259,300)	(259,300)	0	0
Lands, Dept.	Fire Suppression Fund	0.00	0.00	(1,274,200)	(1,274,200)	0	0
Water Resources, Dept.	Revolving Development Fund	0.00	0.00	0	(21,300,000)	0	0
Statewide Control	Budget Stabilization Fund	0.00	0.00	(20,971,000)	(20,971,000)	0	0
<b>Totals</b>		<b>0.00</b>	<b>0.00</b>	<b>(\$22,646,100)</b>	<b>(\$43,946,100)</b>	<b>\$0</b>	<b>\$0</b>